



Press Release

Affirma Capital makes over 9x money multiple from TBO.com

We are pleased to announce that Affirma Capital has exited part of its stake in TBO Tek Ltd ("TBO") to General Atlantic at over a 9x money multiple of its investment subject to terms and conditions agreed by the parties. Affirma Capital invested approximately INR 3 billion (USD 42 million) in 2018 through a secondary transaction immediately prior to its spin-off from Standard Chartered Bank.

Multi-bagger exits in private equity are rare. When they happen, they can be due to investors taking a contrarian bet, a company's disruptive product offering, exceptional management execution or due to strong market tailwinds. In our case, we are fortunate that all the above have been contributors.

First: Since TBO largely serves offline travel agents, there was always a concern that this market segment would get marginalised at the cost of customers directly booking online. However, outbound travel is highly complex and travel agents play, and will continue to play, a crucial role in facilitating leisure and corporate travel. The outbound market has not only grown but the company has continually expanded its offering to thousands of its agents worldwide: Affirma Capital invested in TBO when the business was primarily India focused and has worked with management to transform the business into a global player by expanding organically and through acquisitions.

Second: TBO's robust tech platform simplifies travel and removes the friction that travellers face today - yes, simplicity can be disruptive!

Third: Having great products or access to large market opportunities can be meaningless without strong leadership. Gaurav and Ankush are exceptional leaders who have executed well with the help of the strong management team that they have built. Covid was the mother of all crises that a travel company could face but this management team turned adversity into opportunity by opening new business lines, adding global talent, making bolt-on acquisitions and creating goodwill with suppliers and travel agent consumers.

Finally, no one can control the markets, but the pandemic has taught us that life can be unpredictable, and we shouldn't hold back on spending on things we enjoy. Travel allows people to unwind, spend time with friends and families and expand one's horizons. So, growth in outbound travel is a trend that's here to stay (even today, only a small percentage of Indians have passports).

"We are grateful to Affirma Capital who have supported us immensely during the last five years, including during the COVID pandemic, and have been true value-add partners in our scale-up journey," said Gaurav Bhatnagar and Ankush Nijhawan, co-founders of TBO, commenting on the deal.

"Since our investment in 2018, we have witnessed TBO's transformational journey to becoming one of the leading travel technology platforms globally. We continue to believe in its potential to aggregate and digitize travel for travel partners across the globe and are excited to remain invested in the business," said Udai Dhawan, Founding Partner and India Head at Affirma Capital.

Note to Editors:

About Affirma Capital

Affirma Capital is an independent emerging market private equity firm owned and operated by the former senior leadership of Standard Chartered Private Equity (SCPE). It currently manages c. USD 3.2 billion in assets for leading global limited partners and sovereign wealth funds and has offices in Singapore, Seoul, Shanghai, Mumbai, Dubai, and Johannesburg.

About TBO Tek Ltd

TBO is one of the leading global travel distribution platforms that offers an integrated two-sided technology platform, thus acting as a seamless interface between suppliers and buyers. TBO's platform allows the large and fragmented base of suppliers to display and market inventory to, and set prices for, the large and fragmented global buyer base. TBO has a diversified global footprint and revenue mix, and has regional operation centres across India, Middle East, Europe, North America, APAC and Latin America.

For more information please contact media@affirmacapital.com